

July 10, 2010

Sunwest Management, Inc  
3723 Fairview Industrial Dr, SE  
Suite 270, PO Box 3006  
Salem, OR 97302-0006

Attn: Shirley Dunn

SPECIAL SERVICES RENDERED  
By Alvarez & Marsal Healthcare Industry Group, LLC  
During the Period  
June 01, 2010 - June 30, 2010

<u>Name</u>	<u>Title</u>	<u>Hours</u>	<u>Rate/Hr</u>	<u>Fees</u>
<b><u>Financial Advisory Services</u></b>				
Paul Rundell	Managing Director	60.00	450.00	\$ 27,000.00
Matt Marcos	Senior Director	219.60	450.00	98,820.00
Jeff Yim	Senior Associate	33.00	375.00	12,375.00
<b>Total</b>		<b>312.60</b>		<b>\$ 138,195.00</b>
Total Fees				\$ 138,195.00
Out-of-Pocket Expenses				10,031.26
<b>Total Fees and Out-of-Pocket Expenses</b>				<b>\$ 148,226.26</b>

**Wire Instructions:**

Bank:	J.P. Morgan Chase
ABA:	021000021
Account Name:	Alvarez & Marsal, LLC
Account Number:	9 5 7 3 4 7 8 4 7
Project Number	83009

## Expense Summary

June 01, 2010 - June 30, 2010

Employee	Expense Type							Grand Total
	Airfare	Car Rental	Trans	Parking	Misc	Meals	Hotel	
Paul Rundell	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Matthew Marcos	4,439.90	730.08	835.00	10.00	29.95	546.04	3,440.29	10,031.26
Jeff Yim	-	-	-	-	-	-	-	-
	<b>\$ 4,439.90</b>	<b>\$ 730.08</b>	<b>\$ 835.00</b>	<b>\$ 10.00</b>	<b>\$ 29.95</b>	<b>\$ 546.04</b>	<b>\$ 3,440.29</b>	<b>\$ 10,031.26</b>

**Alvarez & Marsal**  
**Time Codes**

<b>Code</b>	<b>Definition</b>
1	Accounting/auditing
2	Admin services
3	Assessment services
4	Asset analysis and recovery
5	Asset disposition
6	Business analysis
7	Business operation
8	CRO governance
9	Case administration
10	Cash management
11	Claims admin and objections
12	Communications
13	Consulting
14	Contract/lease assume/reject
15	Corporate finance
16	DIP financing/cash collateral
17	Data analysis
18	Employee benefits/pensions
19	Fee/employment applications
20	Fee/employment objections
21	Financing
22	Governance matters
23	Insurance
24	Investor relations
25	Litigation support
26	Meeting of creditors
27	Plan and disclosure statement
28	Plan process
29	Post confirmations
30	Reclamation claims
31	Schedules & statements of financial affairs
32	Strategic planning
33	Tax issues
34	Testimony
35	Travel time
36	Valuation
37	Loan Modification Work

**Alvarez & Marsal**  
**Expense Codes**

<b>Code</b>	<b>Definition</b>
A	Airfare
B	Business meals
C	Car rental expense
D	Lodging
E	Marketing/business development
F	Mileage expense
G	Miscellaneous expense
H	Parking
I	Telecommunication expense
J	Taxi Fare

**Alvarez & Marsal**  
**Time Detail**

Initials	Date	Code	Task Detail	Time	Hourly	
					Rate	Fees
PBR	6/1/10	5	Prepared for and attended overbid auction - canyon crest	3.10	\$ 450	\$ 1,395.00
PBR	6/1/10	5	Spoke to GE on asset disposition update	0.70	\$ 450	315.00
PBR	6/1/10	37	Worked on loan modification issues - cottages	1.20	\$ 450	540.00
PBR	6/2/10	5	Worked on asset dispositions - willow creek and chancellor place	2.40	\$ 450	1,080.00
PBR	6/2/10	37	Worked on loan modification issues	1.60	\$ 450	720.00
PBR	6/3/10	5	Worked on asset dispositions - willow creek and chancellor place	1.20	\$ 450	540.00
PBR	6/3/10	37	Worked on loan modification issues	1.80	\$ 450	810.00
PBR	6/4/10	32	Calls with CRO re various issues	2.30	\$ 450	1,035.00
PBR	6/4/10	37	Worked on loan modification issues	1.70	\$ 450	765.00
PBR	6/7/10	5	Worked on Autumns sale issues	2.30	\$ 450	1,035.00
PBR	6/7/10	32	Call with Hamstreet and all lawyers	0.80	\$ 450	360.00
PBR	6/7/10	5	Worked on Cascadia Canyon	0.90	\$ 450	405.00
PBR	6/8/10	5	Worked on asset dispositions	1.60	\$ 450	720.00
PBR	6/8/10	32	Call with Hamstreet and all lawyers	1.10	\$ 450	495.00
PBR	6/8/10	37	Worked on loan modification issues (e.g., Cascadia Canyon)	1.30	\$ 450	585.00
PBR	6/9/10	5	Worked on Autumns sale issues	0.80	\$ 450	360.00
PBR	6/9/10	32	Call with Hamstreet and all lawyers	1.40	\$ 450	630.00
PBR	6/9/10	37	Worked on loan modification issues	0.80	\$ 450	360.00
PBR	6/10/10	5	Worked on Graysonview issues	0.70	\$ 450	315.00
PBR	6/10/10	32	Call with Hamstreet people, Sunwest and others	1.20	\$ 450	540.00
PBR	6/10/10	37	Worked on loan modification issues	1.10	\$ 450	495.00
PBR	6/11/10	5	Worked on Graysonview issues	0.60	\$ 450	270.00
PBR	6/11/10	32	Call with Hamstreet people, Sunwest and others	0.50	\$ 450	225.00
PBR	6/11/10	37	Worked on loan modification issues	0.90	\$ 450	405.00
PBR	6/14/10	32	Call with Hamstreet people, Sunwest and others	0.90	\$ 450	405.00
PBR	6/14/10	37	Worked on loan modification issues	1.10	\$ 450	495.00
PBR	6/15/10	32	Call with Hamstreet people, Sunwest and others	0.80	\$ 450	360.00
PBR	6/15/10	37	Worked on loan modification issues	1.20	\$ 450	540.00
PBR	6/16/10	32	Call with Hamstreet people, Sunwest and others	1.10	\$ 450	495.00
PBR	6/16/10	5	Call with Tutera on SNF issue	0.80	\$ 450	360.00
PBR	6/16/10	37	Loan modification negotiation - Cascadia	1.10	\$ 450	495.00
PBR	6/17/10	5	Worked on asset disposition issues	2.00	\$ 450	900.00
PBR	6/18/10	32	Call with Hamstreet people, Sunwest and others	0.70	\$ 450	315.00
PBR	6/18/10	5	Worked on asset disposition - including Canyon Crest closing	1.30	\$ 450	585.00
PBR	6/21/10	5	Worked on asset disposition - including Canyon Crest closing	0.90	\$ 450	405.00
PBR	6/21/10	37	Worked on loan modification issues	1.10	\$ 450	495.00
PBR	6/22/10	37	Worked on loan modification issues	2.00	\$ 450	900.00
PBR	6/23/10	37	Worked on loan modification issues	2.00	\$ 450	900.00
PBR	6/24/10	5	Worked on asset dispositions	2.00	\$ 450	900.00
PBR	6/25/10	37	Worked on loan modification issues - non-senior care assets	2.00	\$ 450	900.00
PBR	6/28/10	32	Call with Hamstreet people, Sunwest and others	1.10	\$ 450	495.00
PBR	6/28/10	37	Worked on loan modification issues	0.90	\$ 450	405.00
PBR	6/29/10	37	Worked on loan modification issues - non senior deals	1.20	\$ 450	540.00
PBR	6/29/10	5	Worked on asset dispositions	0.80	\$ 450	360.00
PBR	6/30/10	32	Call with Hamstreet people, lawyers, SEC, Sunwest and others	1.40	\$ 450	630.00
PBR	6/30/10	37	Worked on loan modification issues - non senior deals	1.20	\$ 450	540.00
PBR	6/30/10	5	Worked on asset dispositions	0.40	\$ 450	180.00
JY	6/1/10	15	Purchase Price Allocation analysis / Options Pricing Analysis	2.90	\$ 375	1,087.50
JY	6/2/10	15	Sunwest Financials review - April YTD	3.60	\$ 375	1,350.00
JY	6/2/10	21	Pending and negotiated loan schedule review and update	2.50	\$ 375	937.50
JY	6/3/10	21	Pending and negotiated loan schedule review and update	2.20	\$ 375	825.00
JY	6/5/10	15	Pending and negotiated loan schedule review and update / Interest Rate Adj Schedule update	3.80	\$ 375	1,425.00
JY	6/7/10	5	Appeals Mitigation - Autumns Analysis	2.00	\$ 375	750.00
JY	6/8/10	21	Interest Rate Adj Schedule update	4.00	\$ 375	1,500.00
JY	6/9/10	21	Pending and negotiated loan schedule review and update	3.00	\$ 375	1,125.00
JY	6/9/10	15	PFA O-9 schedule review	2.60	\$ 375	975.00
JY	6/10/10	5	Kerville POR NPV analysis	1.90	\$ 375	712.50
JY	6/10/10	21	Pending and negotiated loan schedule review and update	1.60	\$ 375	600.00

**Alvarez & Marsal**  
**Time Detail**

Initials	Date	Code	Task Detail	Time	Hourly	
					Rate	Fees
JY	6/22/10	15	Purchase Price Allocation analysis / Property equity allocation (TIC/LLC)	2.90	\$ 375	1,087.50
VMM	6/1/10	32	Meeting with MCC re: wind down	2.30	\$ 450	1,035.00
VMM	6/1/10	15	Worked on BX closing	1.50	\$ 450	675.00
VMM	6/1/10	32	Calls re: restructuring status	0.70	\$ 450	315.00
VMM	6/2/10	15	Worked on BX closing	1.10	\$ 450	495.00
VMM	6/2/10	21	Worked on debt status	2.30	\$ 450	1,035.00
VMM	6/2/10	32	Worked on Plan and Calls re: restructuring status	3.10	\$ 450	1,395.00
VMM	6/2/10	21	Calls re: Oakridge leases	1.30	\$ 450	585.00
VMM	6/3/10	15	Worked on BX closing	1.50	\$ 450	675.00
VMM	6/3/10	21	Calls re: debt status	1.30	\$ 450	585.00
VMM	6/3/10	32	Worked on Plan and Calls re: restructuring status	3.40	\$ 450	1,530.00
VMM	6/3/10	32	Prepared for and Calls re: LLC settlement	2.30	\$ 450	1,035.00
VMM	6/3/10	21	Reviewed PCB deficiency and valuations	1.60	\$ 450	720.00
VMM	6/4/10	21	Updated interest rate NPV	4.10	\$ 450	1,845.00
VMM	6/4/10	15	Worked on BX closing matters	1.60	\$ 450	720.00
VMM	6/4/10	21	Calls re: PCB	1.40	\$ 450	630.00
VMM	6/4/10	21	Reviewed Clovis and Hobbs appraisals	1.30	\$ 450	585.00
VMM	6/5/10	21	Worked on interest rate NPV calculation	0.80	\$ 450	360.00
VMM	6/7/10	32	Calls with investors	4.50	\$ 450	2,025.00
VMM	6/8/10	15	PSA call with BX	1.10	\$ 450	495.00
VMM	6/8/10	32	Prepared for and Calls re: LLC settlement	2.70	\$ 450	1,215.00
VMM	6/8/10	21	Worked on loan status	2.10	\$ 450	945.00
VMM	6/8/10	21	Calls re: PCB	1.40	\$ 450	630.00
VMM	6/8/10	32	Worked on Plan and Calls re: restructuring status	3.10	\$ 450	1,395.00
VMM	6/8/10	32	Prepared for and Calls re: LLC settlement	2.70	\$ 450	1,215.00
VMM	6/9/10	32	Worked on Plan and Calls re: restructuring status	2.70	\$ 450	1,215.00
VMM	6/9/10	21	Updated interest NPV calculation	1.80	\$ 450	810.00
VMM	6/9/10	21	Calls re: PCB	1.10	\$ 450	495.00
VMM	6/9/10	2	Admin	2.50	\$ 450	1,125.00
VMM	6/9/10	32	Prepared for and Calls re: LLC settlement	4.20	\$ 450	1,890.00
VMM	6/9/10	32	Calls with investors	2.90	\$ 450	1,305.00
VMM	6/10/10	32	Planning meeting with CH	1.50	\$ 450	675.00
VMM	6/10/10	21	Worked on RBS loan	0.70	\$ 450	315.00
VMM	6/10/10	32	Prepared for and Calls re: LLC settlement	5.50	\$ 450	2,475.00
VMM	6/10/10	5	Worked on post-closing assets	1.30	\$ 450	585.00
VMM	6/10/10	32	Worked on Plan and Calls re: restructuring status	3.50	\$ 450	1,575.00
VMM	6/11/10	21	Worked on Tutores settlement	0.60	\$ 450	270.00
VMM	6/11/10	32	Prepared for and Calls re: LLC settlement	5.10	\$ 450	2,295.00
VMM	6/11/10	5	Worked on post-closing assets	1.40	\$ 450	630.00
VMM	6/11/10	32	Worked on Plan and Calls re: restructuring status	2.70	\$ 450	1,215.00
VMM	6/13/10	32	Calls, emails re: LLC payments, settlement	1.50	\$ 450	675.00
VMM	6/13/10	32	Prepared for and Calls re: LLC settlement	2.30	\$ 450	1,035.00
VMM	6/14/10	21	Worked on Tutores settlement	0.60	\$ 450	270.00
VMM	6/14/10	32	Prepared for and Calls re: LLC settlement	0.70	\$ 450	315.00
VMM	6/15/10	32	Various calls, emails with MCC	1.70	\$ 450	765.00
VMM	6/15/10	5	Calls with SW re: sale	2.20	\$ 450	990.00
VMM	6/16/10	21	Worked on Tutores settlement	0.70	\$ 450	315.00
VMM	6/16/10	21	Reviewed loan documents	1.60	\$ 450	720.00
VMM	6/16/10	5	Worked on closing, transition matters with SW	1.70	\$ 450	765.00
VMM	6/17/10	32	Worked on mediation preparation	4.60	\$ 450	2,070.00
VMM	6/17/10	32	Reviewed claims analysis	2.30	\$ 450	1,035.00
VMM	6/17/10	21	Worked on loan modifications	0.70	\$ 450	315.00
VMM	6/17/10	21	Reviewed lender deficiencies	0.40	\$ 450	180.00
VMM	6/17/10	32	Various calls, emails re: plan	0.80	\$ 450	360.00
VMM	6/18/10	32	Various calls, emails re: plan	1.30	\$ 450	585.00
VMM	6/18/10	21	Worked on loan modifications	0.80	\$ 450	360.00
VMM	6/19/10	32	Falk mediation prep	1.50	\$ 450	675.00
VMM	6/20/10	32	Falk mediation, calls	5.10	\$ 450	2,295.00
VMM	6/20/10	32	MCC call	0.60	\$ 450	270.00

**Alvarez & Marsal**  
**Time Detail**

Initials	Date	Code	Task Detail	Time	Hourly	
					Rate	Fees
VMM	6/21/10	32	POR call	0.70	\$ 450	315.00
VMM	6/21/10	21	Lender status call with GY	0.60	\$ 450	270.00
VMM	6/21/10	32	Call with SW	0.80	\$ 450	360.00
VMM	6/21/10	21	Worked on interest rate NPV calculation	1.10	\$ 450	495.00
VMM	6/21/10	32	EJ/LRS mediation prep	3.30	\$ 450	1,485.00
VMM	6/21/10	32	Review tintera claims, lease NPV	2.70	\$ 450	1,215.00
VMM	6/21/10	32	Case planning, calls	1.90	\$ 450	855.00
VMM	6/22/10	32	Review tintera claims, lease NPV	1.70	\$ 450	765.00
VMM	6/22/10	32	Mediation re: LRS, Dunn, Falk	11.10	\$ 450	4,995.00
VMM	6/22/10	32	Working session re: plan, mediations	2.10	\$ 450	945.00
VMM	6/23/10	32	Mediation re: LRS, Dunn, LLC settlement	5.70	\$ 450	2,565.00
VMM	6/23/10	32	Case planning, calls	1.80	\$ 450	810.00
VMM	6/23/10	32	Worked on plan with SW	3.70	\$ 450	1,665.00
VMM	6/24/10	32	Various calls with TICC and worked on requests from TICC's re: POR	3.40	\$ 450	1,530.00
VMM	6/24/10	21	Worked on and Calls re: Briarwood, Century Fields deposition	2.70	\$ 450	1,215.00
VMM	6/24/10	32	Case planning, calls	1.70	\$ 450	765.00
VMM	6/24/10	11	Claims review	1.90	\$ 450	855.00
VMM	6/24/10	11	Worked on Tintera settlement	2.30	\$ 450	1,035.00
VMM	6/25/10	21	Worked on Oakridge lease	2.10	\$ 450	945.00
VMM	6/25/10	32	Worked on Tintera settlement	1.50	\$ 450	675.00
VMM	6/25/10	32	TICC investor calls and analysis	3.90	\$ 450	1,755.00
VMM	6/25/10	32	Case planning, calls	2.70	\$ 450	1,215.00
VMM	6/26/10	32	Worked on HFG settlement, calls	1.10	\$ 450	495.00
VMM	6/27/10	32	Worked on recovery analysis	3.20	\$ 450	1,440.00
VMM	6/27/10	15	Worked on closing proceeds	1.70	\$ 450	765.00
VMM	6/27/10	32	Worked on 3rd party claims	3.30	\$ 450	1,485.00
VMM	6/27/10	11	Worked on Tintera settlement	2.90	\$ 450	1,305.00
VMM	6/28/10	32	Worked on recovery analysis	1.30	\$ 450	585.00
VMM	6/28/10	15	Worked on closing proceeds	1.70	\$ 450	765.00
VMM	6/28/10	32	Worked on 3rd party claims	5.30	\$ 450	2,385.00
VMM	6/28/10	27	Calls with SW re: POR	0.70	\$ 450	315.00
VMM	6/28/10	21	Calls with lenders re: BX sale	0.60	\$ 450	270.00
VMM	6/29/10	32	HFG settlement meeting	3.50	\$ 450	1,575.00
VMM	6/29/10	32	Prepared for and Calls re: LLC settlement	2.80	\$ 450	1,260.00
VMM	6/29/10	21	Worked on lender matters	1.70	\$ 450	765.00
VMM	6/29/10	11	Worked on HFG settlement	1.10	\$ 450	495.00
VMM	6/30/10	11	Worked on claims estimates, calls	2.30	\$ 450	1,035.00
VMM	6/30/10	15	Calls with SW re: closing, transition, wind down	0.60	\$ 450	270.00
VMM	6/30/10	27	Deposition preparation	5.10	\$ 450	2,295.00
VMM	6/30/10	32	Case planning, calls	0.90	\$ 450	405.00
VMM	6/30/10	32	Worked on HFG settlement	0.80	\$ 450	360.00
VMM	6/30/10	21	Call re: Beal and FDIC loss sharing issue	0.90	\$ 450	405.00
VMM	6/30/10	32	Calls re: HFG settlement and LLC settlement	0.90	\$ 450	405.00
						-
						-
						-
						-
<b>Total</b>				<b>312.60</b>		<b>\$138,195.00</b>

**Alvarez & Marsal  
Expense Detail**

<b>Initials</b>	<b>Date</b>	<b>Code</b>	<b>Task Detail</b>	<b>Expenses</b>
VMM	6/1/10	A	Flight - JFK/PDX	524.40
VMM	6/2/10	A	Flight - PDX/JFK/PDX	938.10
VMM	6/28/10	A	Flight JFK/PDX	465.40
VMM	6/16/10	A	Flight JFK/PDX	513.20
VMM	6/27/10	A	Flight PDX/JFK	860.40
VMM	6/13/10	A	Flight PDX/JFK	1,138.40
VMM	6/22/10	B	Working dinner CH, AK, DZ	236.00
VMM	6/21/10	B	Working lunch with DC	32.00
VMM	6/11/10	B	Working lunch with DC	43.25
VMM	6/24/10	B	Working lunch with MC	51.00
VMM	6/16/10	B	Working lunch with MC	38.74
VMM	6/23/10	B	Dinner with MC	128.50
VMM	6/9/10	B	Snacks with GY, BB	16.55
VMM	6/27/10	C	Gas	36.32
VMM	6/22/10	C	Gas	46.79
VMM	6/19/10	C	Rental car	646.97
VMM	6/22/10	D	Hotel Eugene	175.70
VMM	6/27/10	D	Hotel Portland	1,745.20
VMM	6/13/10	D	Hotel Portland	1,248.77
VMM	6/1/10	D	Hotel Portland	270.62
VMM	6/27/10	G	Internet access	29.95
VMM	6/23/10	H	Parking	10.00
VMM	6/27/10	J	from JFK	80.00
VMM	6/13/10	J	from JFK	80.00
VMM	6/2/10	J	from JFK	80.00
VMM	6/28/10	J	from PDX	40.00
VMM	6/16/10	J	from PDX	45.00
VMM	6/7/10	J	from PDX	55.00
VMM	6/28/10	J	to JFK	80.00
VMM	6/16/10	J	to JFK	80.00
VMM	6/7/10	J	to JFK	80.00
VMM	6/1/10	J	to JFK	80.00
VMM	6/27/10	J	to PDX	45.00
VMM	6/13/10	J	to PDX	45.00
VMM	6/2/10	J	to PDX	45.00

**Total**

**\$ 10,031.26**